BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO Santa Fe, New Mexico

October 17, 1957

TRANSCRIPT OF HEARING

Case 1329

BEFORE THE OIL CONSERVATION COMMISSION STATE OF NEW MEXICO Santa Fe, New Mexico

October 17, 1957

IN THE MATTER OF:

CASE 1329

Northwestern New Mexico nomenclature case calling for an order creating a new pool and extending the vertical and horizontal limits of existing pools in San Juan and Rio Arriba Counties, New Mexico.

(a) Create a new oil pool for Gallup production, designated as the Horseshoe-Gallup Oil Pool, and described as:

TOWNSHIP 30 NORTH, RANGE 16 WEST

Section 3: W/2 W/2

Section 4: E/2 and SE/4 NW/4

Section 9: W/2 NE/4, NE/4 NE/4, E/2 SW/4 and NW/4 SE/4

- (b) Extend the vertical limits of the Otero-Graneros Pool to include the Dakota formation and change the name of said pool accordingly to the Otero Graneros-Dakota Pool.
- (c) Extend the horizontal limits of the Otero Graneros-Dakota Pool to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST

Section 26: SW/4 Section 27: S/2

(d) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 28 NORTH, RANGE 9 WEST All of Sections 23 & 27

(e) Extend the Tapacito-Pictured Cliffs Pool to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST

Section 10: N/2

Section 11: W/2

TOWNSHIP 26 NORTH, RANGE 3 WEST

Section 28: E/2

TOWNSHIP 27 NORTH, RANGE 5 WEST

Section 26: S/2

(f) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 24 NORTH, RANGE 2 WEST

Section 20: All Section 21: S/2

TOWNSHIP 25 NORTH, RANGE 3 WEST

All of Sections 28 & 29

Section 32: N/2Section 33: N/2

TOWNSHIP 25 NORTH, RANGE 5 WEST

Section 34: N/2

TOWNSHIP 28 NORTH, RANGE 9 WEST

Section 26: All Section 34: N/2

(g) Extend the Otero-Chacra Pool to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST

Section 18: All Section 34: N/2

(h) Extend the Bisti-Lower Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 11 WEST

Section 24: SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST

Section 20: SE/4

(i) Extend the Verde-Lower Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 15 WEST

Section 31: NE/4

BEFORE: Honorable Edwin L. Mechem

Mr. Murray Morgan Mr. A. L. Porter

TRANSCRIPT OF HEARING

MR. PORTER: The next case on the docket is Case 1329.

MR. COOLEY: Case 1329: Northwestern New Mexico nomenclature case calling for an order creating a new pool and extending the vertical and horizontal limits of existing pools in San Juan and Rio Arriba Counties, New Mexico.

(Witness sworn.)

ELVIS A. UTZ

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. COOLEY:

- Q State your full name and position, please.
- A Elvis A. Utz, Engineer, New Mexico Oil Conservation Commission.
- Q Mr. Utz, in your official capacity as Engineer for the Oil Conservation Commission of New Mexico, have you had an opportunity to make a study of the creation and extension of certain gas pools and oil pools in San Juan and Rio Arriba Counties, New Mexico?
 - A Yes, I have.
- Q Mr. Utz, do you have any recommendation concerning the creation of a new oil pool for Gallup production in Township 30 North, Range 16 West?
 - A Yes, I have. I recommend that a new pool be created

to be known as the Horseshoe-Gallup Oil Pool as advertised, on the basis of fourteen wells capable of producing from that area. The discovery well was the Arizona Exploration Company No. 1 Horse-shoe Canyon B in unit D, Section 3, 30 North, 16 West, which was completed for initial potential of 120 barrels per day, and perforation from 1610 to 1654.

- Q What would be the vertical limits of the proposed Gallup-Horseshoe Oil Pool?
- A The vertical limits would be as advertised. It would be the Gallup formation.
- Q Mr. Utz, do you have any recommendations concerning the extension of the vertical limits of the Otero-Graneros Pool?

A Yes, sir, I do. I recommend that the vertical limits of the Otero-Graneros Gas Pool be extended to include the Dakota formation and the name accordingly be changed to the Otero Graneros-Dakota Gas Pool. I recommend that the horizontal limits of the pool be extended as advertised on the basis of five wells completed and capable of producing from this pool.

Q Do you have any recommendations concerning the extension of the Aztec-Pictured Cliffs Gas Pool?

A Yes, I do. I recommend that the Aztec-Pictured Cliffs
Gas Pool be extended as advertised on the basis of one well
completed and capable of producing from this pool.

Q Do you have any recommendations concerning the extension

Tapacito-Pictured Cliffs Pool?

- A I likewise recommend on the basis of three wells completed in this pool.
- Q What are your recommendations with regard to the extension of the South Blanco-Pictured Cliffs Pool?
- A I recommend that the South Blanco-Pictured Cliffs Pool be extended as advertised on the basis of eleven wells capable of producing from this pool.
- Q Have you any recommendations concerning the extension of the Otero-Chacra Pool?
- A I recommend that the Otero-Chacra pool be extended as advertised on the basis of three wells capable of producing from this pool.
- Q What are your recommendations concerning the extension of the Bisti-Lower Gallup Oil Pool?
- A I recommend that the Bisti-Lower Gallup be extended as advertised on the basis of two wells completed and capable of producing from this pool.
- Q Do you have any recommendations concerning the extension of the Verde-Lower Gallup Oil Pool?
- A I recommend that the Verde-Lower Gallup Oil Pool be extended as advertised on the basis of one well completed and capable of producing from this pool.
 - Q Mr. Utz. does this conclude your recommendations in this case?

- A Yes, this concludes my recommendations in this case.
- Q Have you prepared an Exhibit to substantiate your recommendations?

 A Yes.
 - Q How is the exhibit identified?
 - A Exhibit No. 1, Case 1329

MR. COOLEY: I offer Exhibit No. 1 in 1329.

MR. PORTER: Without objection the exhibit will be admitted.

Any questions of the witness? The witness may be excused. We will take the case under advisement, and the hearing is adjourned.

<u>C E R T I F I C A T E</u>

STATE OF NEW MEXICO)

: SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 25th day of October, 1957.

Motary Public-Court Reporter

My commission expires:

June 19, 1959.